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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/784,879	02/15/2001	Ned M. Smith	42390P10821	4562

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EXAMINER

BAYAT, BRADLEY B

ART UNIT	PAPER NUMBER
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3621

DATE MAILED: 03/12/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/784,879

Applicant(s)

SMITH ET AL.

Examiner

Bradley Bayat

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 17 February 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-17, 19 & 21-25 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-17, 19 and 21-25 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on February 17, 2004 has been entered.

Status of Claims

Applicant has amended claims 1, 9, 17, 24 and 25 and canceled claims 18 and 20 in the amendment filed on 17 February 2004. Thus, claims 1-17, 19, and 21-25 are presented again for examination on the merits.

Response to Arguments

Applicant's arguments filed 17 February 2004 have been fully considered but they are not persuasive.

The applicant's amendment to the claims adds a negative limitation as follows: "wherein no dominant authority and no hierarchy of parties exists between the parties (see amended claims 1, 9, 17, 24 and 25)." The applicant describes the above limitation as providing "an environment where each party may cross-check each other during operation of the shared process (applicant's response p.8)." The applicant argues that the cited art, Crawford (6,502,113 B1) does not suggest or teach the above negative limitation, and rather teaches away from this notion (applicant's response p.9). The applicant further states that the web site wherein the contractual negotiations are performed in Crawford, act effectively as a third party that the parties to the

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contract rely on. Therefore, concluding that a dominant force or hierarchy exists in Crawford.

The examiner respectfully disagrees.

On the contrary, Crawford recognizes the need for contractual system that can “conduct negotiations on neutral ground,” rather than one where each party may have dominance over another (column 2, lines 9-10). In it’s objective, Crawford discloses that “there is a long-felt need to establish a neutral ground which provides each long-distance negotiator with equal and essentially unrestricted access to the document being negotiated and an associated record of the negotiations” (column 2, lines 19-22). Although the applicant chooses to view the use of the Internet or Crawford’s reference to it as a “trusted third party”, applicant’s specification describes a shared process between two parties over the Internet not as such (see specification p.3). In fact, further review of Crawford will reveal that the use of the negotiation system taught enables the parties to a contract to negotiate and monitor each other’s progressions in an even handed manner without any dominance over the other or show of hierarchy by either party in the transaction.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-17, 19 and 21-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ludwig et al., Patent Application Publication US 2001/0021928 A1 in view of Crawford et al., U.S. Patent 6,502,113 B1.

As per claims 1-8, 24 and 25, Ludwig et al. (hereinafter Ludwig) provides a method and system to promote e-commerce by providing a convenient and computerized means for ensuring that transactions and contracts are properly authorized and therefore enforceable. Thus Ludwig discloses a method of exchanging public keys for each of the parties to a contract or transaction (paragraphs 7-13; figure 3 and associated text); digitally signing and verifying the electronic contract (paragraphs 7-13; figure 4 and associated text); issuing role certificates to participants of the shared business process (paragraphs 14-19, 56; figure 10 and associated text), the role certificates defining authorization of participants to perform at least a part of the shared business process and for using the public keys (figures 5, 10-11 and associated text); and performing the shared business process by the participants (paragraphs 89-121). Ludwig, however, does not explicitly teach registration, negotiating, modification, and distribution of the electronic contracts, nor does it explicitly teach that no hierarchy exists between the parties. Crawford et al. (hereinafter Crawford) teaches a method for managing negotiations between parties to a contract, including registering, negotiating, modifying updating, retrieving, displaying and distributing contracts implemented over the Internet, especially one wherein each party to the contract is on neutral ground, so no party has dominance over the other (see abstract; columns 2-6; figures 1-5 and associated text). Crawford is evidence that one of ordinary skill in the art would recognize the benefit of conducting even handed electronic negotiations and transactions and having a means to track the negotiations between parties on a micro and macro level. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the transaction authorization method for verifying and enforcing electronic transactions,

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to include a non-hierarchical negotiation management system for managing, facilitating and enabling such transactions through one convenient and reliable source.

Claims 9-16 are directed to a computer readable medium and are rejected as above.

Claims 17, 19, 21-23 are directed to a system and are rejected as above.

Examiner has pointed out particular references contained in the prior arts of record in the body of this action for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the response, to consider fully the entire references as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior arts or disclosed by the examiner.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Bradley Bayat whose telephone number is 703-305-8548. The examiner can normally be reached on Tuesday-Friday during normal business hours.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 703-305-9768. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

bbb
March 5, 2004



JAMES P. TRAMMELLE
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600